



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0019	Title:	Prohibit diversion of Morrill Act land revenue for administrative costs
Primary Sponsor:	McNutt, W.	Status:	As Amended in House Approps Committee - Revised

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Include in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2007 Difference</u>	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:					
General Fund	\$80,000	\$40,000	\$40,000	\$40,000	\$40,000
State Special Revenue	\$15,000	\$40,000	\$40,000	\$40,000	\$40,000
Revenue:					
General Fund	\$0	\$0	\$0	\$0	\$0
State Special Revenue	\$80,000	\$40,000	\$40,000	\$40,000	\$40,000
Net Impact-General Fund Balance	<u>(\$80,000)</u>	<u>(\$40,000)</u>	<u>(\$40,000)</u>	<u>(\$40,000)</u>	<u>(\$40,000)</u>

Description of Fiscal Impact:

Administrative costs for managing the Montana State University Morrill Grant lands (MSU-Morrill) will be paid from the state special revenue fund (funded via a general fund transfer) and not from revenues generated by the Morrill lands.

FISCAL ANALYSIS

Assumptions:

Department of Natural Resources (DNRC)

1. The MSU-Morrill Grant represents 1.2% or 63,456 acres of the 5.1 million surface acres managed by the Trust Land Management Division of the Department of Natural Resources and Conservation (DNRC).
2. Land management activities for the MSU-Morrill lands include personal services and operational expenditures. Administrative costs have been approximated at \$80,000 over a biennium based on a ten year average. Historically, the Trust Land Management Division of the Department of Natural Resources and Conservation (DNRC) has expended 65% of its budget on personal services and 35% on operations.

3. The bill as amended in the House Appropriations Committee transfers general fund to a state special revenue fund and expenditures would be made via a statutory appropriation from the state special revenue fund.
4. Because the bill is effective on passage and approval, a transfer for the 2007 biennium will be made in FY 2007. The department anticipates state special revenue expenditures of approximately \$15,000 in FY 2007.

	<u>FY 2007 Difference</u>	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>					
<u>Expenditures:</u>					
Personal Services	\$9,750	\$26,000	\$26,000	\$26,000	\$26,000
Operating Expenses	\$5,250	\$14,000	\$14,000	\$14,000	\$14,000
Transfers	\$80,000	\$40,000	\$40,000	\$40,000	\$40,000
TOTAL Expenditures	\$95,000	\$80,000	\$80,000	\$80,000	\$80,000
<u>Funding of Expenditures:</u>					
General Fund (01)	\$80,000	\$40,000	\$40,000	\$40,000	\$40,000
State Special Revenue (02)	\$15,000	\$40,000	\$40,000	\$40,000	\$40,000
TOTAL Funding of Exp.	\$95,000	\$80,000	\$80,000	\$80,000	\$80,000
<u>Revenues:</u>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$80,000	\$40,000	\$40,000	\$40,000	\$40,000
TOTAL Revenues	\$80,000	\$40,000	\$40,000	\$40,000	\$40,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>					
General Fund (01)	(\$80,000)	(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)
State Special Revenue (02)	\$65,000	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date